



# The Foreign-Trade Zones Board

## Application to Expand FTZ Manufacturing Authority

In addition to the basic information to provide on this page, this form has four possible sections to complete. After reading the guidance below, complete **only** the sections that apply to your situation. Our web site – <http://www.trade.gov/ftz> – has additional information and guidance. If you have questions, please contact the FTZ Board staff at (202) 482-2862.

### ➤ WHICH SECTIONS TO COMPLETE?

All expansions of authority (incl. capacity/plant size, FTZ benefits, and range of inputs/products):

Any company applying to expand its FTZ manufacturing authority to increase its approved production capacity/plant size, level of FTZ benefits, or range of components/inputs and finished products should complete this page and **Section A**.

Expansion of range of authorized inputs/products:

If you are applying to expand the range of inputs and finished products in your primary scope for production under FTZ procedures, also complete **Section B** and **Section C**.

Addition of "secondary" scope:

While expanding your authorized capacity, FTZ benefits, or range of inputs/products, do you also wish to add a "secondary" scope of authority for products and inputs for which your company has no current manufacturing plans but which it may ultimately need to use in manufacturing under FTZ procedures? (This can give your company short-term flexibility to react quickly to new marketplace opportunities.) Yes \_\_\_ No \_\_\_ If yes, also complete **Section D**.

For each relevant section, answer all questions completely in the boxes provided. If **additional space** is needed to respond to any question, please use the **continuation page** after Section B.

### ➤ APPLICATION LETTER

1. Your application must include a letter identifying your company and summarizing the proposed expansion of FTZ manufacturing activity (including zone/subzone site(s) to be used) and why approval of that expanded authority would be beneficial for the United States overall. The letter must be currently dated and signed by an authorized officer of the grantee or operator.

### ➤ SITE INFORMATION/COMPANY NAME

2. a. Zone/Subzone #:                      b. If Zone, list Site Number(s):
3. Company (Manufacturer) Name:

## **SECTION A** (FOR ALL REQUESTS FOR EXPANSIONS OF AUTHORITY)

For each section, please answer all questions completely within the appropriate box provided. (There is a continuation page provided at the end of **Section B**, if needed.) Submission of incomplete or inaccurate information may delay the processing of your application.

### ➤ **AUTHORIZED AND REQUESTED CAPACITIES**

NOTE: FTZ manufacturing/subzone applications generally have included statements regarding production capacity or, at a minimum, indications of the size of the plant for which FTZ manufacturing authority was being requested. Your expansion request should be based on the capacity (or plant size) expressed in the prior FTZ application(s) for the manufacturing plant.

- A1. Indicate the annual production capacity/plant size currently authorized for your manufacturing under FTZ procedures (specify units of measure):
- A2. Indicate the new total annual production capacity/plant size requested via this application for the facility(ies) named. Include both expanded capacity/plant size being sought for previously approved products and capacity/plant size for new products that you seek to add to your scope. (Specify units of measure):

### ➤ **AUTHORIZED AND REQUESTED FTZ-RELATED SAVINGS:**

- A3. Provide an approximate figure for your current annual FTZ-related savings:
- A4. a. Indicate your additional estimated annual FTZ-related savings if your requested expansion of authority is approved:
- b. Provide a percentage breakdown for those additional savings into the following categories:

Logistical/Paperwork<sup>1</sup> \_\_\_\_\_%

Inverted Tariff \_\_\_\_\_%

Exports \_\_\_\_\_%

Duty Deferral \_\_\_\_\_%

Scrap/Waste \_\_\_\_\_%

- c. Provide any additional explanation or special features of the above savings that may be relevant to the review or implementation of zone procedures (*e.g.*, formulas, Customs rulings, scrap as percentage of imported product).

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<sup>1</sup> *e.g.*, Merchandise Processing Fee, broker/handling fees, weekly entry procedures

➤ **COMPANY, MARKET, AND INDUSTRY INFORMATION:**

- A5. Please list the main internet address(es) for information about your company and product(s):
- A6. Describe the manufacturing activity for which you are seeking expanded authority:
- A7. Is expanded FTZ manufacturing authority linked to a change in your company's purchasing/sourcing patterns? Explain.
- A8. a. List total employment company-wide: \_\_\_\_\_ employees (approximate)  
b. and total employment at the plant: \_\_\_\_\_ employees (approximate).
- A9. How has your company's employment changed in the last 5 years? Will the additional FTZ-related savings sought through this application likely lead to increased, stable, or decreased employment at your site? Explain.
- A10. Describe problems, challenges or strengths facing your company and the U.S. industry. Have production, employment, and operating profits been falling or rising? Have there been changes in the cost of raw materials? (Also address any other relevant factors.)

- A11. Describe your company's current situation and the factors that led to the need to expand your capacity for manufacturing under FTZ procedures. Are circumstances similar to those described in your company's initial/prior application for manufacturing authority? Explain.
- A12. Explain in detail why approval of your proposed expanded FTZ manufacturing authority would be beneficial overall to the United States:
- A13. Are you aware of any studies or reports that have been done recently regarding your industry or industry sector? If yes, please list the titles and authors/publishers below – you do not need to submit the studies/reports with the application. Note: The FTZ Staff may later ask for your assistance in obtaining a copy of these publications as part of the Staff's case-related research.

## **SECTION B** (FOR EXPANSION OF RANGE OF PRODUCTS/INPUTS)

For each section, please answer all questions completely within the appropriate box provided. (There is a continuation page provided at the end of **Section B**, if needed.) Submission of incomplete or inaccurate information may delay the processing of your application.

### ➤ **QUESTIONS ON YOUR REQUESTED PRODUCTS/INPUTS IN SECTION "C"**

- B1. Are any of the inputs subject to antidumping ("AD") or countervailing duty ("CVD") duties? Are any of the inputs subject to quantitative restrictions (quotas)? Are you aware of any other trade-related issues affecting any of the inputs? If yes to any of these, explain:
- B2. Indicate the percent of U.S. value added<sup>1</sup> for the products you propose to produce under FTZ procedures: \_\_\_\_\_ % (approximate).
- B3. By value, what percent of your production inputs are imported? \_\_\_\_\_ % (approximate)
- B4. Are the inputs that you purchase from abroad also available from U.S. suppliers (if yes, why are you unable to obtain those inputs domestically)? Will FTZ -related savings affect the company's purchasing patterns? Explain.

### ➤ **ADDITIONAL QUESTIONS ON EXPANDED RANGE OF PRODUCTS/INPUTS:**

Answer these questions completely based on the information available to you. (You may rely on your expert knowledge of the industry in addition to traditional, published resources.)

- B5. Does your company have other plants (in the U.S. or overseas) that also manufacture the finished products that you are seeking to add to your scope? If yes, please list their locations.
- B6. What is your company's current share of the U.S. market for the products that you seek to add to your scope for manufacturing under FTZ procedures? \_\_\_\_\_ % (approximate).
- B7. a. Imports account for \_\_\_\_\_ % (approximate) of the U.S. market for the additional products you seek to manufacture under FTZ procedures.
- \_\_\_\_\_

<sup>1</sup> *i.e.*, the difference between the value of foreign components received at the subzone and the value of finished products shipped from the subzone.

- b. Has imports' share of the U.S. market changed in the past 5-10 years? How? Why?
- B8. a. What percent of your proposed additional FTZ-related production is sold to export markets? \_\_\_\_\_ % (approximate).
- b. Do you know your share of the world-wide market for the additional products that you seek to produce under FTZ procedures? If yes, list it here: \_\_\_\_\_ % (approx.).
- B9. a. List your major competitors in the U.S. market and their approximate market shares:
- b. List your major competitors in the world market:
- B10. Are your competitors producing in the U.S. or abroad? Explain and give specific examples:
- B11. What are the competitive factors in your industry? Any other factors unique to your industry?
- B12. How would approval of your proposed expanded FTZ-manufacturing authority affect your domestic competitors? Are their purchasing patterns similar to your company's? Would the other U.S. manufacturers be likely to seek access to zone procedures? Explain.

**CONTINUATION PAGE:** You may use this page to continue any answer(s) for which you did not have adequate space in the box(es) provided in **Section A** and/or **Section B**. Please precede any continued answer with the number of the question to which it pertains.

**CLICK HERE TO ADD ANOTHER CONTINUATION PAGE**

## **SECTION C** (ADDITIONAL PRODUCTS/INPUTS FOR **PRIMARY SCOPE**)

The information in this section will delineate the additional products and inputs that you wish to add to your "primary" scope for manufacturing under FTZ authority. As such, you should only include in this section: 1) the range of finished products and foreign-status inputs that your company plans to use in manufacturing under FTZ procedures and 2) finished products and foreign-sourced inputs that you believe that there is a significant likelihood that your company will need to use for FTZ manufacturing.

- **FINISHED PRODUCTS** – List the additional products for which you are requesting manufacturing authority.

<b>Product Description</b>	<b>HTSUS (6 Digit)</b>	<b>Duty rate</b>
<b>AA.</b>		
<b>AB.</b>		
<b>AC.</b>		
<b>AD.</b>		
<b>AE.</b>		
<b>AF.</b>		
<b>AG.</b>		
<b>AH.</b>		
<b>AI.</b>		
<b>AJ.</b>		
<b>AK.</b>		
<b>AL.</b>		
<b>AM.</b>		
<b>AN.</b>		
<b>AO.</b>		
<b>AP.</b>		
<b>AQ.</b>		
<b>AR.</b>		
<b>AS.</b>		
<b>AT.</b>		
<b>AW.</b>		
<b>AX.</b>		
<b>AY.</b>		
<b>AZ.</b>		



**BA.**

**BB.**

**BC.**

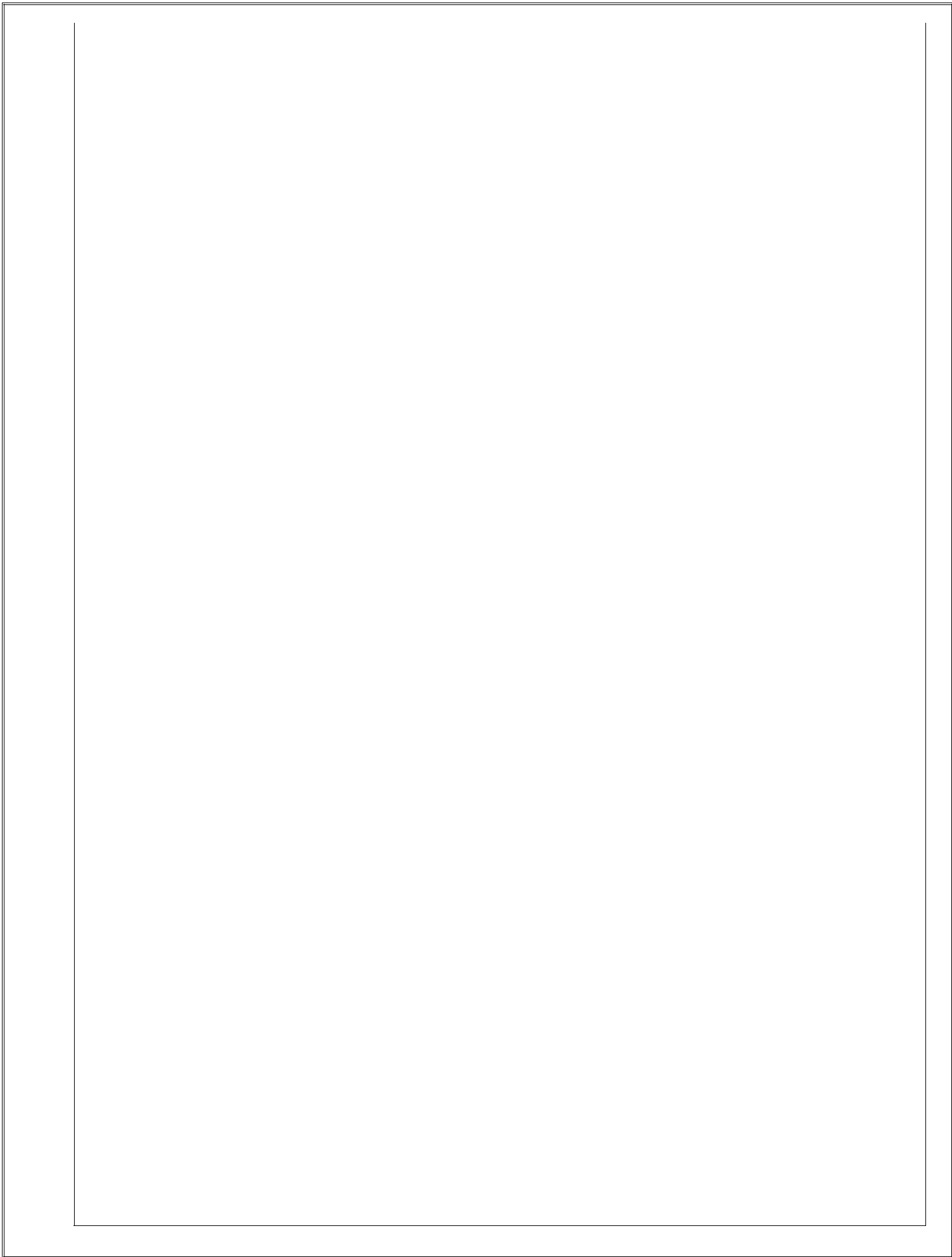
**BD.**

**BE.**

**BF.**

- **INPUTS** – List the additional production inputs for which you are requesting manufacturing authority. (Please note that all inputs that are subject to AD/CVD duties must be admitted to the zone in "privileged foreign" status.)

<b>Input Description</b>	<b>6-digit HTSUS</b>	<b>Current duty rate</b>	<b>Letters of associated finished product(s) above (A-E, AA-BD)</b>
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## **SECTION D** (OPTIONAL SECONDARY SCOPE)

You may complete this optional section to establish a "secondary" scope of authority for products and foreign-status inputs for which your company has no current manufacturing plans but which it may ultimately need to use in manufacturing under FTZ procedures. The intent of a secondary scope is to give companies short-term flexibility to react quickly to new marketplace opportunities. As such, you would be able to use products and inputs from your secondary scope without limitation as soon as you submit to the FTZ Board an application for "expansion of authority" for those products. In the absence of a subsequent expansion application, products and components listed in the secondary scope should not account for a significant amount of your FTZ-related savings.

## ► ACCEPTANCE OF LIMITATIONS OF SECONDARY SCOPE

- D1. Do you understand that the finished products and inputs listed in this section as a secondary scope: 1) are not items for which your company currently has definite plans for manufacturing under FTZ procedures and 2) may not constitute a significant amount of the company's overall FTZ savings (unless you submit an application to the FTZ Board to expand your primary scope to include the products and inputs at issue)? Yes ☐ No ☐

➤ **FINISHED PRODUCTS** – List the products for your secondary scope for permanent manufacturing authority.

Product Description	HTSUS (4 Digit)	Current duty rate(s)
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➤ **INPUTS** – List the foreign-sourced production inputs for your secondary scope for expanded manufacturing authority. (Please note that all inputs that are subject to AD/CVD duties must be admitted to the zone in "privileged foreign" status.)

Input Description	4-digit HTSUS	Current duty rate

